

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 130 – SB 113

March 30, 2011

SUMMARY OF AMENDMENTS (005016, 005515, 005468): Deletes the original bill. Requires that the memorandum of understanding agreed to by the local board of education and the teacher's union shall be presented in its entirety to the board. Authorizes the board of education to select any member of the management team to serve as a negotiator. Requires the teachers' union and the board of education to have an equal number of negotiators. Defines management team, supervisor, teachers' union or recognized professional employee organization, and working conditions of professional employees. Requires the local board of education to negotiate only those conditions of employment for which the responsibility or performance requires the professional employee to be licensed by the Department of Education. Prohibits negotiations from taking place on payroll deductions, differentiated pay plans, expenditure of grants or awards from federal, state, or local governments or foundations, evaluation of professional employees, salaries, benefits, staffing decisions, and state board of education or local board of education policies related to innovative education programs or virtual schools, and all personnel decisions concerning assignment of professional employees. Changes, from a majority to 30 percent, the number of signatures that must be presented on petitions to the recognized professional employee organization and the board of education to decertify the recognized professional employee organization. Requires that initial recognition of a professional employee organization will be for 24 months and that recognition may be extended if the teachers' union demonstrates that a majority of the professional employees in the local education agency belong to the union as full dues paying members. Requires due paying members to be verified by receipt of payment. Prohibits local boards of education from refusing professional employee organizations the use of certain LEA facilities and areas before or after the instructional day. Prohibits any professional employee organization from coercing or attempting to intimidate professional employees who are not members of the organization. Removes a requirement that upon denial of a memorandum of understanding by any governing authority, that the parties reconvene to negotiate further. Any collective bargaining agreements that are currently in effect will remain in effect until the agreement's scheduled end date.

Adds language to Section 1 of the bill, as amended by amendment 00501662 to state that it is the intent of the General Assembly that the provisions of the bill as amended shall not lessen the insurance benefits of licensed personnel. Requires the board of education to select at least four individuals as its negotiators. Deletes Section 13 of amendment 00501662 which prohibited negotiations on payroll deductions.

Deletes Section 20 of the bill as amended by amendment 00501662. Section 20 prohibited negotiation on any working conditions that are prescribed by general law, private act, or rules and regulations of the State Board of Education or the Department of Education.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – Local Education Agencies (LEAs) will reduce expenditures currently spent on litigation and negotiator stipends arising from collective bargaining agreements by \$435,000. LEAs may permissively reduce funding for insurance premiums and other negotiated items in the absence of collective bargaining agreements. This permissive decrease in local expenditures will be \$16,111,400.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

NOT SIGNIFICANT

Assumptions applied to amendments:

- Certain items in current law including salaries or wages and insurance will continue to be negotiated.
- Adding payroll deductions as an item that may be negotiated will have no fiscal impact on state or local government.
- No decrease in the number of memoranda of understanding negotiated between LEAs and professional employee organizations or teacher unions. The four appointed members of the board's negotiating team will continue to be compensated.
- Deleting the prohibition in Section 20 of the original bill relating to the negotiation of working conditions will have no fiscal impact on state or local government.
- Any decrease in local expenditures will be not significant.
- No change in the BEP funding formula.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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